

CENTRAL INTELLIGENCE AGENCY

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INFORMATION REPORT

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| COUNTRY | East Germany | REPORT | |
| SUBJECT | Proposed 1955 Allocations for the East German Ministry of Heavy Industry | DATE DISTR. | 12 July 1954 |
| DATE OF INFO. | | NO. OF PAGES | 2 |
| PLACE ACQUIRED | | REQUIREMENT | |
| | | REFERENCES | |

This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

1. In connection with 1955 investment plans drawn up for enterprises under the control of the East German Ministerium fuer Schwerindustrie (Ministry of Heavy Industry) (MfSch), it was proposed in early April 1954 that the following investments should be made:

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843,000,000 DME - Bereich (production area) Kohle (coal)
335,000,000 DME - Bereich Energie (power)
200,000,000 DME - Bereich Chemie (chemistry) (round figures; actually this proposal was a little more)
70,000,000 DME - Zentrale Ebene (centrally controlled agencies, such as the Deutsche Handelszentrale (DHZ), technical schools, universities, institutes, etc.)

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As of early April, no proposals had been submitted for Bereich Metallurgie.

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2. According to directives issued by the Staatliche Plankommission (State Planning Commission) (StPlk) the investment plans suggested by the MfSch for 1955 are not to exceed a total of 1,500,000,000 DME. Large-scale projects of the MfSch must not be included in the investment plans for 1955. Since the proposals by the coal and power production areas represent absolute minimums, source believed that further reductions, if at all, could only be made by the chemistry and metallurgy production areas. The amount of money provided for the construction of power plants would make possible an increase of the power output by 580,000,000 watts in 1955.

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